



# **Judicial Council of California**

## **Administrative Office of the Courts**

Trial Court Financial Policies and Procedures

Policy No.  
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**FIN 8.02**  
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# **CLAIM PROCESSING**

**POLICY NUMBER: AOC FIN 8.02**

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# Claim Processing

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(Original 8/01)

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## **2.0 Purpose**

(Original 8/01)

1. The purpose of this policy and the following procedures is to provide uniform guidelines for payments to individuals and businesses that provide “in-court” services to the trial court. These services may include but are not limited to:
  - a. Court-appointed counsel
  - b. Court-appointed investigator
  - c. Verbatim reporting/transcripts
  - d. Courtroom interpreter
  - e. Court-appointed psychologist or psychiatrist

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f. Alternative dispute resolution

2. The implementation of these procedures will establish effective accounting control over trial court assets (cash), liabilities (accounts payable) and expenditures. Prompt payment of claims supported by appropriate documentation will foster good business relationships with the individuals and businesses that provide essential services to the trial court.

### **3.0 Policy Statement**

(Original 8/01)

The trial court shall pay the claims of the individuals and businesses that provide “in-court” services in a timely fashion, according to the rules and limitations established by the court. All claims must be supported by appropriate documentation. All payments are subject to review by the trial court employee(s) who are authorized to approve such payments.

### **4.0 Application**

(Original 8/01)

The policies and procedures described in this section apply to all trial court employees who participate in the requisition, approval, purchase, receipt, or payment for services required by the court such as those listed in 1.0, Table of Contents.

### **5.0 Definitions**

(Revised 9/10)

Refer to the Glossary for the following key term used in this policy.

**Accounts Payable**  
**Claim**  
**Service Provider**  
**Transaction**

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## **6.0 Text**

### **6.1 Claims Payment Process**

(Original 8/01)

#### **6.1.1 Introduction**

1. The trial court regularly uses the services of a variety of skilled professionals in conducting its operations. The services of court appointed counsel, investigators, psychiatrists, psychologists, court reporters, interpreters, mediators, arbitrators, and others are needed on an ongoing basis. These service providers submit claims for payment to the trial court that must be processed through accounts payable.
2. The basis for a claim is created when the court authorizes services to be provided by an individual or business. The claims payment process assures that proper documentation accompanies each claim and that approval for payment is obtained from authorized staff. At the end of the process, three main functions of accounts payable are completed: 1) supporting documents are reviewed and approved, 2) warrants are issued, and 3) accounting entries are recorded.

#### **6.1.2 Similarity to Invoice Payment Process**

(Revised 9/10)

In general, the process for receiving, approving, paying and recording claim transactions is very similar to the process employed to pay the invoices of other contractors and suppliers. This policy addresses the steps unique to processing claims. Steps that are not discussed in this policy are identical to those for processing invoices, which may be referenced in Policy No. FIN 8.01 Vendor Invoice Processing.

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## **6.2 Receipt of Claims**

(Original 8/01)

The trial court shall direct all individuals and businesses including but not limited to court-appointed counsel, experts, investigators, and interpreters to submit claims to a designated accounts payable location for processing.

## **6.3 Complete Claim Documentation**

(Original 8/01)

1. The documentation required to pay a claim consists of a court-approved claim form that includes at least the following information:
  - a. The name and address of the person or business submitting the claim.
  - b. The tax identification number of the person or business submitting the claim (If the tax identification number is on file with the court, it need not appear on every claim form).
  - c. The signature of the person making the claim or the person authorized to sign for the business making the claim.
  - d. The case number and name.
  - e. The amount of compensation claimed.
2. A copy of the court authorization issued to the individual or business that is making the claim must accompany the claim form. An itemized invoice describing the services provided and costs incurred is also required. The invoiced amount must match the amount shown on the claim form and may not exceed the amount authorized by the court authorization.

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## **6.4 Timely Submission of Claims**

(Original 8/01)

1. Individuals and businesses whose services are authorized by the trial court shall file claims on a timely basis.
2. The consistent failure of an individual or business to provide timely claims will be considered by the trial court in requesting additional services.

## **6.5 Rates**

(Original 8/01)

The rates paid by the trial court for some services are established by statute. In cases where statutory rules are not set, the trial court may set limits on the rates charged by service providers. The rates allowed shall be reasonable for the type of service performed and shall be consistent from vendor to vendor. The trial court reserves the right to adjust any claim it determines to be unreasonable.

## **6.6 Costs**

(Original 8/01)

Before incurring any unusual expense that exceeds a limit set by the court, service providers must obtain the court's authorization by submitting a written request. The request shall be supported by written justification setting forth the need for the cost and an itemized estimate of the proposed expenditure.

## **6.7 Costs Exceeding Normal Rates**

(Original 8/01)

1. In some instances, costs higher than the limits set by the trial court may be justified. Before incurring costs that exceed court-designated limits, service providers must obtain the court's authorization by

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submitting a written request. The request must be supported by written justification for the higher cost and an itemized estimate of the proposed expenditure. A copy of the court authorization approving the higher costs must be submitted with the claim for reimbursement.

2. In no event shall costs exceeding trial court limits be incurred without the prior written approval of the court.

## **6.8 Reconciliation of Claims**

(Original 8/01)

After Accounts Payable has received and recorded a claim, it must be reconciled to the original court authorization for the services provided and the service provider's invoice. The claim should be reviewed against the court authorization to verify the appointment, rates, and any hour or dollar limits that may apply. The invoice should be reviewed against the court authorization for the rates and hours charged, and other costs incurred. The correctness of unit price extensions and totals should also be reviewed. Previous claims for the same matter should also be reviewed to assure that limits are not exceeded.

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## **7.0 Associated Documents**

(Original 8/01)

**None**